# HealthLine



A Publication of the Department of Personnel & Administration

March 2008

# Important Dates for the Upcoming Open Enrollment

#### March 1-31

Log In Month—To prepare for Open Enrollment, employees are encouraged to log in to the online Benefit Administration System to review their usernames, passwords and current benefits. Visit the Employee Benefits Web site, www.colorado.gov/dpa/dhr/benefits and click on "Enroll/Change Benefits." See the February 29, Leap Day edition of HealthLine for instructions.

### April 11

- The "Rates & Plans" issue of *HealthLine* will be available on the Employee Benefits Web site www.colorado.gov/dpa/dhr/benefits.
- The "Rates & Plans" issue will contain the new premiums for the upcoming FY09 Plan Year, and will list the major changes to the insurance plans.

 New FY09 Open Enrollment information will be posted throughout the entire Employee Benefits Web site.

## April 21–May 16

• Open Enrollment for the upcoming FY09 Plan Year (July 1, 2008–June 30, 2009).

• Annual opportunity for employees to enroll in/change benefits and verify personal, dependent and beneficiary information.

• Once Open Enrollment is over, benefits elections for FY09 cannot be changed. This includes elections made passively or by default.

## July 1, 2008

- FY09 Plan Year begins
- Changes made during Open Enrollment become effective.
- · Insurance plan changes go into effect.
- New FY09 premiums become effective.



# How to Choose a **Medical and Dental Plan**





Studies show that many people will devote half an hour or less to choosing their medical and dental insurance. But if you spend your time wisely, that half hour (or one hour or two) can be of value.

The difficulty in Open Enrollment lies not in choosing a plan. Anyone can pick a plan. The real work is in reviewing the past year while trying to forecast your needs for the coming year. It is in these areas that the bulk of your decision-making time should be spent.

First, start by reviewing the past year for you and your family. Does your existing coverage work for both your health and your finances? Are you satisfied with the coverage, but not so happy with what it did to your wallet? Is the monthly price right, but have unexpected healthcare costs eaten into your expected savings? Will any health issues that arose this past year for you or your family members carry forward into the next year? All of these factors should be weighed in your decision to stay with your current coverage or to make a change during Open Enrollment.

Next, look ahead. Are there any health conditions you expect to continue, get better or get worse in the coming year? Are you or your spouse pregnant? Are your kid's teeth coming in soon? Will older children need braces this year? Will anyone in your family be participating in more sports? As you look forward, consider whether or not there will be changes to your health, and that of your family, as well as any changes in your finances.

Third, consider all of your insurance options. Maybe you're covered under your spouse's plan. Are you happy with that coverage? Is that coverage going to change significantly in the near future? If you're not covered by your spouse's plan now, is it a consideration? What are the financial implications of joining, staying with, or leaving a spouse's plan? What are the financial implications of joining, staying or leaving the State's plans?

Now here's the hard part—putting it all together. Ask yourself these three questions:

- Did my coverage this year meet my health and financial needs?
- Do I need to make any changes to meet next year's health and financial needs?
- If I make a change, is it a change within the options offered by the State or with a plan outside of the State, such as a spouse's plan?

These questions won't bring you to one specific answer, but they will help you to narrow your choices. And narrowing your choices makes picking the plan that's right for you a lot easier.



# Are you enrolled in the State DC Basic Retirement Plan?



If you are enrolled in the State Defined Contribution Basic Retirement Plan (State DC), you need to know that you can make changes within that plan during the upcoming Open Enrollment.

Participants can change which provider manages their retirement money: Great-West Retirement Services, The Hartford, or ICMA. However, this is not an opportunity to change to another retirement plan (such as the PERA Defined Contribution (DC) or PERA Defined Benefit (DB) Plan). The decision between the State DC plan and the PERA plans is irrevocable.

As opposed to medical, dental or life insurance benefits where Open Enrollment is managed with the online Benefit Administration System, the process of Open Enrollment for the State DC participants will be conducted via a paper system. All employees enrolled in this retirement plan by March 31, 2008, will be sent information regarding their options for changing providers. Temporary employees enrolled in the State DC plan are also eligible to make these changes during Open Enrollment.

Please note that State DC participants are the only retirement participants who have an opportunity to make changes to their retirement plan during Open Enrollment. Those enrolled in either of the PERA basic plans, the PERA DC or PERA DB, cannot make any changes during Open Enrollment. The State DC plan should not be confused with the State's 457 Plan, a supplemental retirement plan that can be started or changed anytime throughout the year.

## **Updates and Reminders**

- In anticipation of next month's Open Enrollment, March is Log-In Month. Logging into the online Benefits Administration System (BAS) now will help you remember your username and password and gives you the chance to review your current benefits. See the February 29 Leap Day HealthLine for instructions on logging in.
  - Go to www.colorado.gov/dpa/dhr/benefits and click on "Enroll / Change Benefits" to access the online BAS.
  - If you have forgotten your username or password there is a password recovery process accessible from the Log In page. Click on "Forgot Your Password?"
  - If you still have difficulties, you should contact your department's benefits personnel. A list of these people is available on the Benefits Web site—www.colorado.gov/dpa/dhr/benefits.
- New medical plan comparison tool in the online Benefit Administration System (BAS) to be unveiled for Open Enrollment. Have you ever compared features when shopping online—for electronics, cars or clothing? Starting with Open Enrollment, you will be able to do the same when choosing medical insurance. Pick the medical plans you want to compare and pick the features within those plans that you want to compare.



# FSA Tools and Calculators— **Estimate Your Needs**

Flexible Spending Accounts (FSAs) are vehicles that can save you money on your taxes. There are two types of FSAs: Healthcare FSAs and Dependent Day Care FSAs. See the February issue of **Health-Line** for a brief overview of what they are and how they work, and the **February Leap Day issue** for a discussion of eligible FSA expenses.

Maybe you've been considering enrolling in a Flexible Spending Account (FSA) but you're not sure if it's right for you. Do you have enough eligible expenses? What are the potential tax savings?

With Open Enrollment close at hand, now is the time to anticipate your needs for the coming year. On the State's Web site, you can find tools to help estimate your expenses and calculate the potential tax benefits of an FSA. Go to the Employee Benefits Web site—www.colorado.gov/dpa/dhr/benefits—and click on "Flexible Spending Accounts" to start your research.

## **Tax Savings Calculator**

The pre-tax deductions of an FSA lower your taxable income, meaning less is taken for taxes. The State's FSA administrator, ASI, offers a calculator to help you estimate these tax savings. On the FSA page, click on the link for "ASI—Your FSA Administrator." On ASI's page you will find a Tax Savings Calculator for either a health-care FSA or a dependent care FSA. It requires that you estimate next year's out-of-pocket expenses in areas such as medical, dental and vision care or your dependent care expenses. You also have to know your household gross income as well as your taxable income. And remember, the potential tax savings calculated are just an estimate.

For answers to these and more of your questions, take a look at the other features on the State's FSA site as well as ASI's site—www.colorado.gov/dpa/dhr/benefits, click "Flexible Spending Accounts."

## Estimating Healthcare Expenses

On the FSA site, find the "FSA Worksheet" in the "Making a Decision" section. Use this to enter the current year's healthcare expenses, as well as estimate next year's costs. This worksheet includes some of the more common expenses, such as co-payments, coinsurance, prescriptions, eye glasses and dental costs, but you can enter other eligible expenses. The worksheet simply provides a convenient method to gather your information in one place. If you have a significant amount of healthcare expenses, perhaps a healthcare FSA, and its tax advantages, make sense for you.





# Exercise— **Give Yourself a Break**

Health, Wellness & **You** 

A lot of folks are under the impression that exercise is an all-ornothing proposition, full of drudgery and self-sacrifice. They tell themselves that it has got to be difficult and demanding and that they cannot, ever, skip a day. For most people, such an attitude will do more harm than good.

Ask yourself, how long you will keep at something that you dread, that's hard and that you don't even enjoy? Would you eat the same sandwich everyday if you didn't like it? Would you watch the same program every week if it didn't interest you? Would you continue to read books by an author you despised? Why should exercise be any different? And if you don't enjoy your exercise, how long will it be before you find an excuse to quit?

You can't opt out of exercise—our bodies and minds need it. But you can choose how you exercise and when. If you just can't

imagine another 30-minute session with the weights, cut it to 20 minutes. If you hate dragging yourself out of bed at 5:30 for a cold, pre-dawn walk, then change the time. Walk at lunch or after work. If you love to swim but never seem to get the chance, put the effort into finding a pool rather than trudging through exercise you don't like.

And cut yourself some slack. If you're too sore, too tired or just too frazzled, skip the routine that day. If it's too cold, too hot or too wet to go outside, don't. Just don't make a habit of it, and if you've chosen well, that won't be a problem.

Ultimately, exercise has to be something you enjoy. If you aren't enjoying it, exercise won't happen.



